

SWINE OUTLOOK

By

Wallace Barr

Extension Economist
The Ohio State University

for

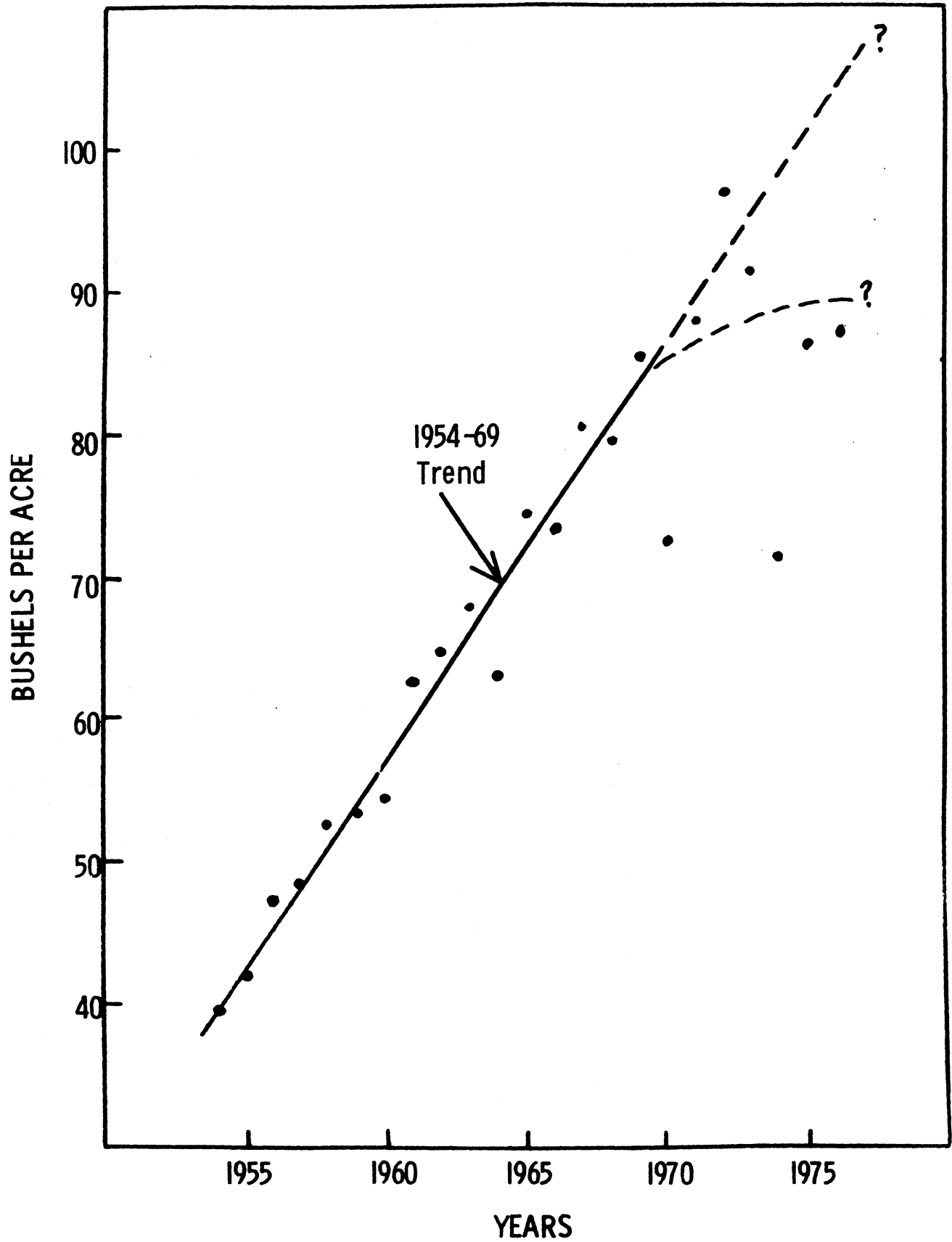
1977 SWINE SEMINAR
OHIO PORK PRODUCERS COUNCIL
and

OHIO FARM BUREAU
IMPERIAL HOUSE NORTH
FEBRUARY 25, 1977

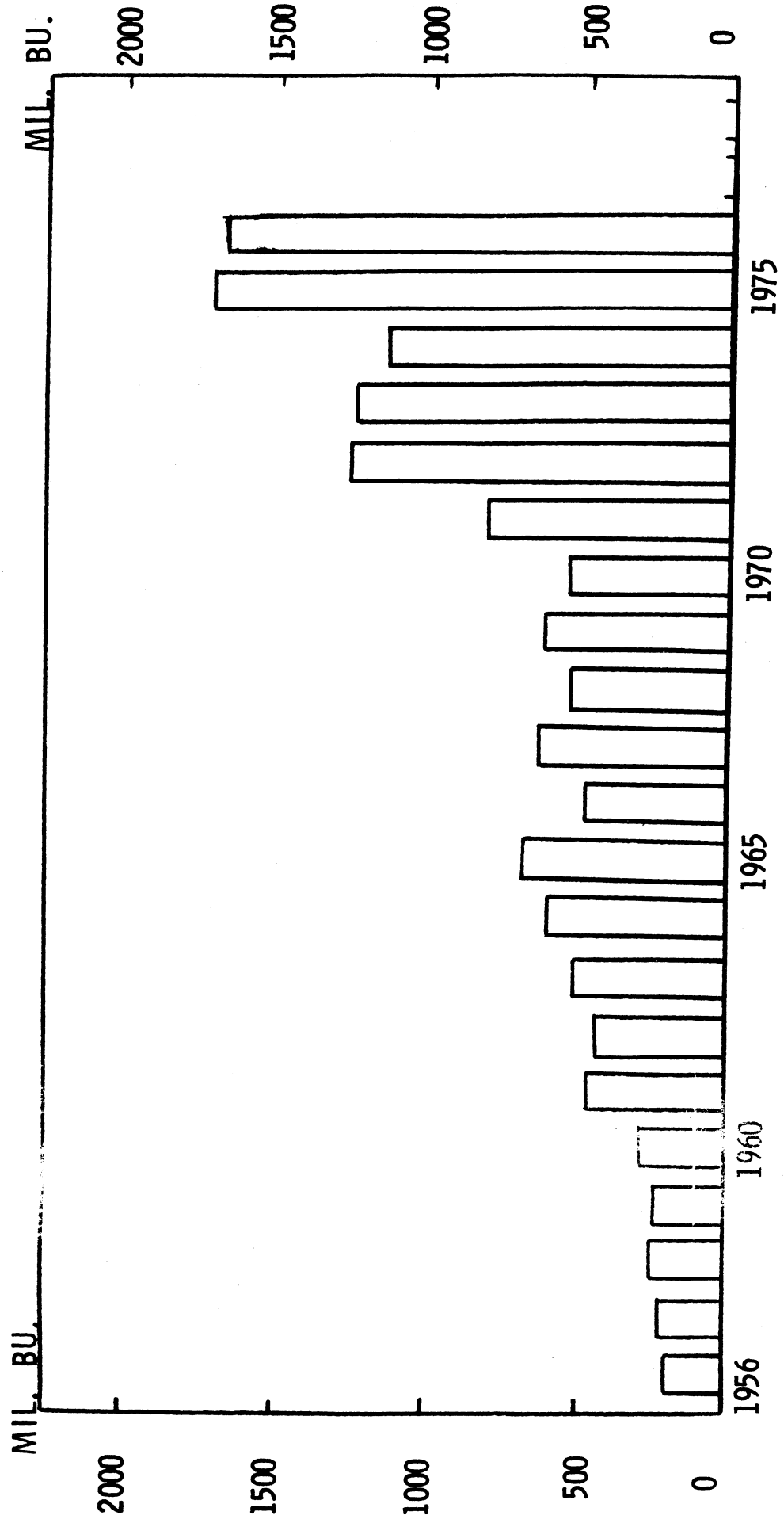
CORN PROSPECTS FOR 1976 - 77

	AMT. Bil. Bu.	% 1976/1975
CROP (Nov.)	6.22	+8%
ACREAGE, MIL.	71.1	+7%
YIELDS	87.4	+1%
SUPPLIES	6.62	+7%
USE	6.1	+3%
DOMESTIC	4.2-4.3	UP
EXPORT	1.65	DOWN
CARRYOVER	0.7 - 0.8	UP
PRICE, AVERAGE OHIO FARM		
1975 CROP	\$2.55	
WE SAID	\$2.40-2.60	
1976 (EST.)	\$2.25-2.50	

U.S. CORN YIELDS



U.S. CORN EXPORTS



U.S. CORN PRODUCTION, USE AND PRICE

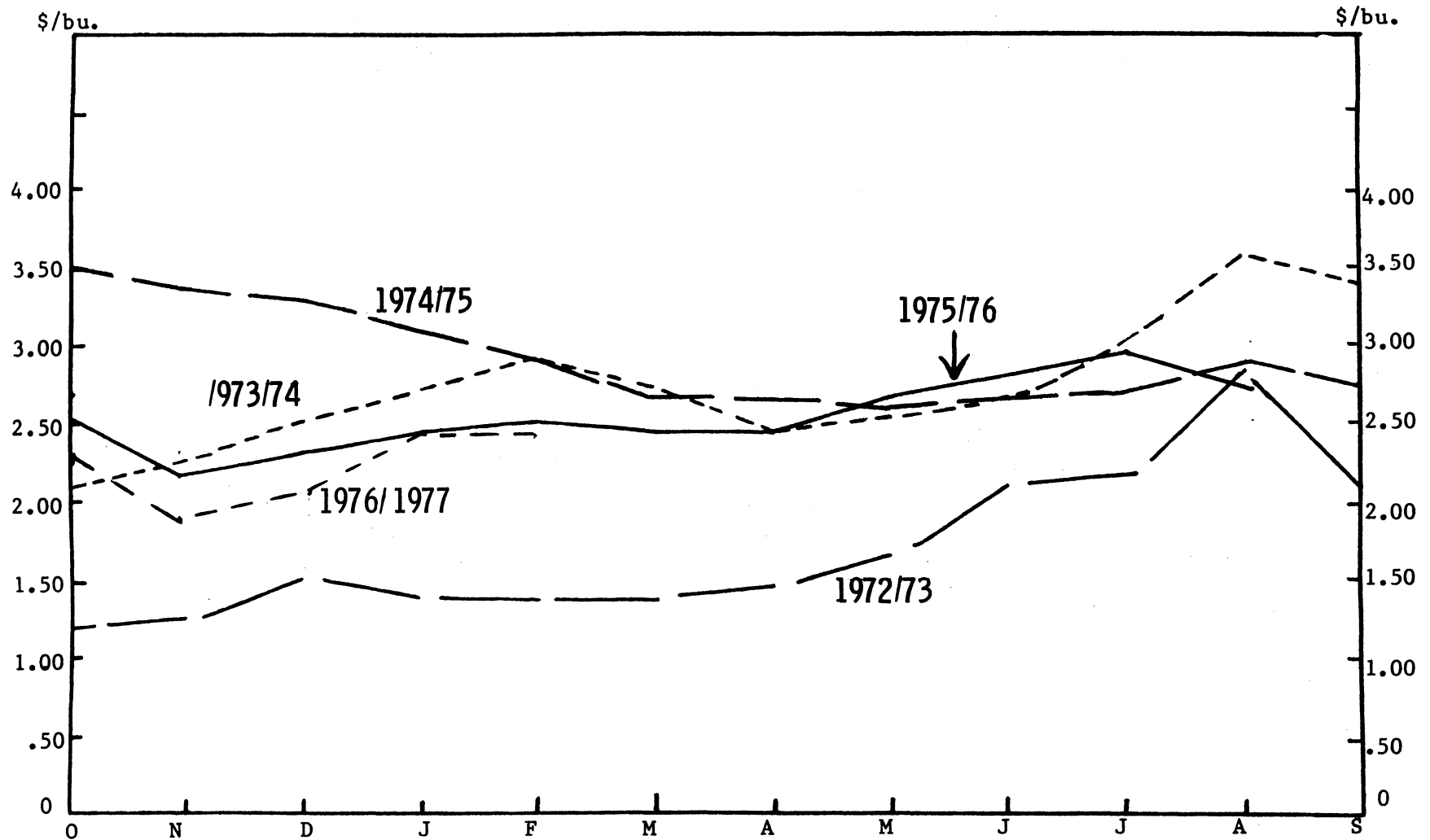
Crop Year (Oct. 1)	Acres for Grain (Mil.)	Yld/Ac. (Bu.)	Production	Carry-In	Supply	Domestic Use	Export	Total Use	Carry-Out	Av. Season Price, Ohio
			(Million Bushels)							
1965	55.4	74.1	4,084	1,147	5,232	3,705	687	4,392	840	\$1.16
1967	60.7	80.1	4,706	823	5,584	3,789	633	4,422	1,162	1.11
1969	54.6	85.9	4,687	1,118	5,806	4,189	612	4,801	1,005	1.21
1970	57.4	72.4	4,152	1,005	5,161	3,977	517	4,494	667	1.37
1971	64.0	88.1	5,641	667	6,309	4,387	796	5,183	1,126	1.09
1972	57.4	97.1	5,573	1,126	6,700	4,733	1,258	5,991	709	1.70
1973	61.9	91.2	5,647	709	6,357	4,631	1,243	5,874	483	2.70
1974	65.2	71.3	4,666	483	5,149	3,641	1,149	4,790	359	2.93
1975	66.9	86.2	5,799	359	6,158	4,048	1,710	5,759	399	2.55
1976 ^{1/}	71.1	87.4	6,217	399	6,616	4,250	1,650	5,900	716	2.20 ^{2/}
1977	70.0	82.0	5,740	716	6,456	--	--	--	--	--
	71.0	88.0	6,248		6,964					

^{1/} January crop estimate.

^{2/} Average for Oct.-Feb.

Prepared 2-77 by Wallace Barr and Herbert Hadley, Extension Economists, OSU.

CORN: OHIO AVERAGE MONTHLY PRICE



SOYBEAN PROSPECTS FOR 1976-77

	<u>AMT.</u> <u>Mil. Bu</u>	<u>%</u> <u>1975/1974</u>
CROP (Nov.)	1,265	-17%
ACRES, MIL.	49.4	-8%
YIELD	25.6	-10%
SUPPLIES	1,509	-12%
USE	1,400	-4%
DOMESTIC	910	down
EXPORT	525	down
CARRYOVER	74	down

1976 SOYBEANS - (CONT.)

PRICES - DECATUR

	<u>PER BU.</u>	<u>PRICE</u>	<u>VALUE</u>
OIL LB.	11#	20-24 ¢	\$2.20-\$2.64
MEAL TON	47#	200-220	4.70 - 5.17
TOTAL			<hr/> \$6.90-7.81

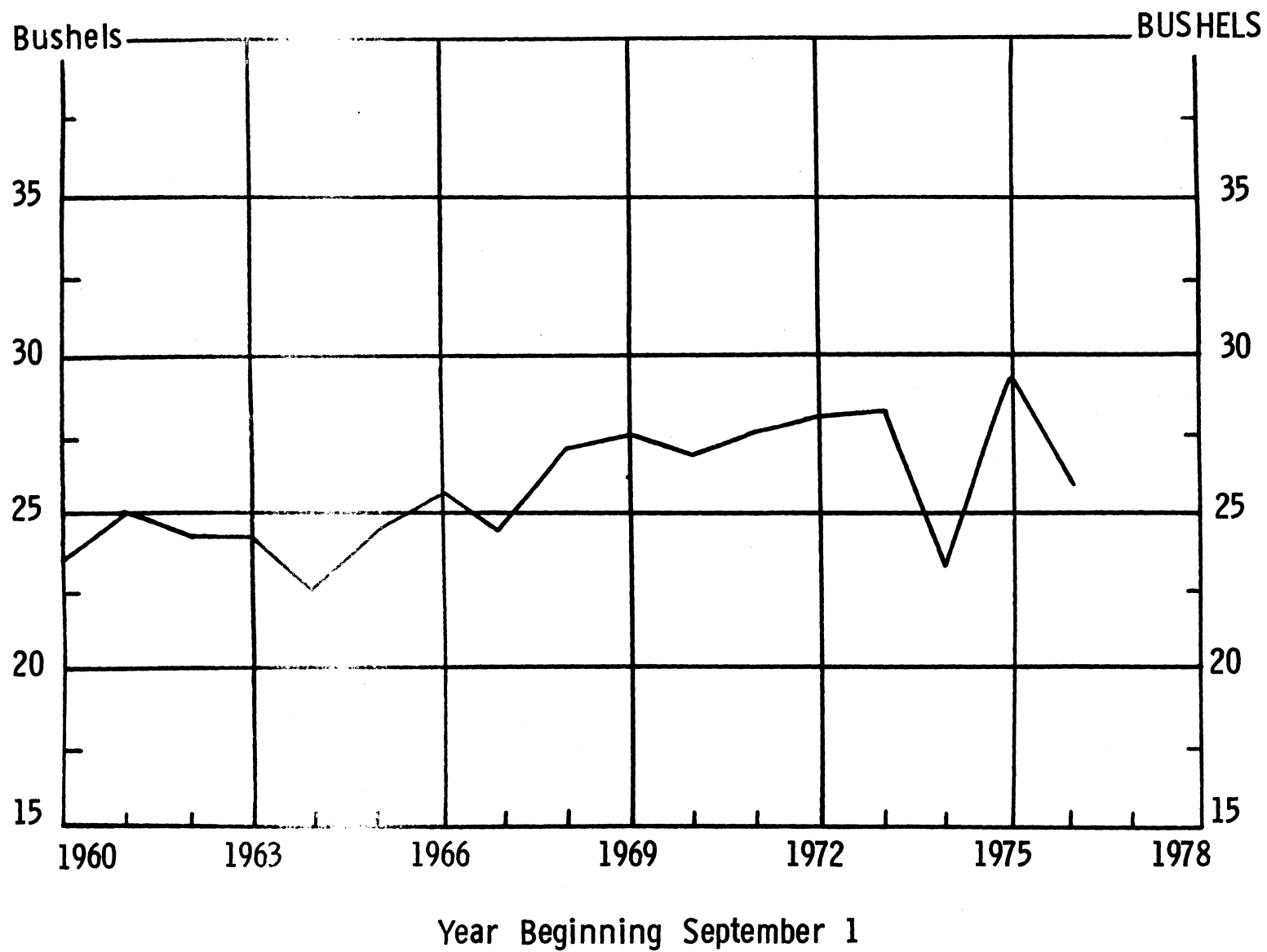
MINUS

MARGINS:
TRANSPORTATION

OHIO FARM PRICE, AVERAGE

1975 CROP	\$5.04
WE SAID	\$4.50- 5.00
1976 (EST.)	\$6.50-6.75

U.S. SOYBEAN YIELD PER ACRE HARVESTED



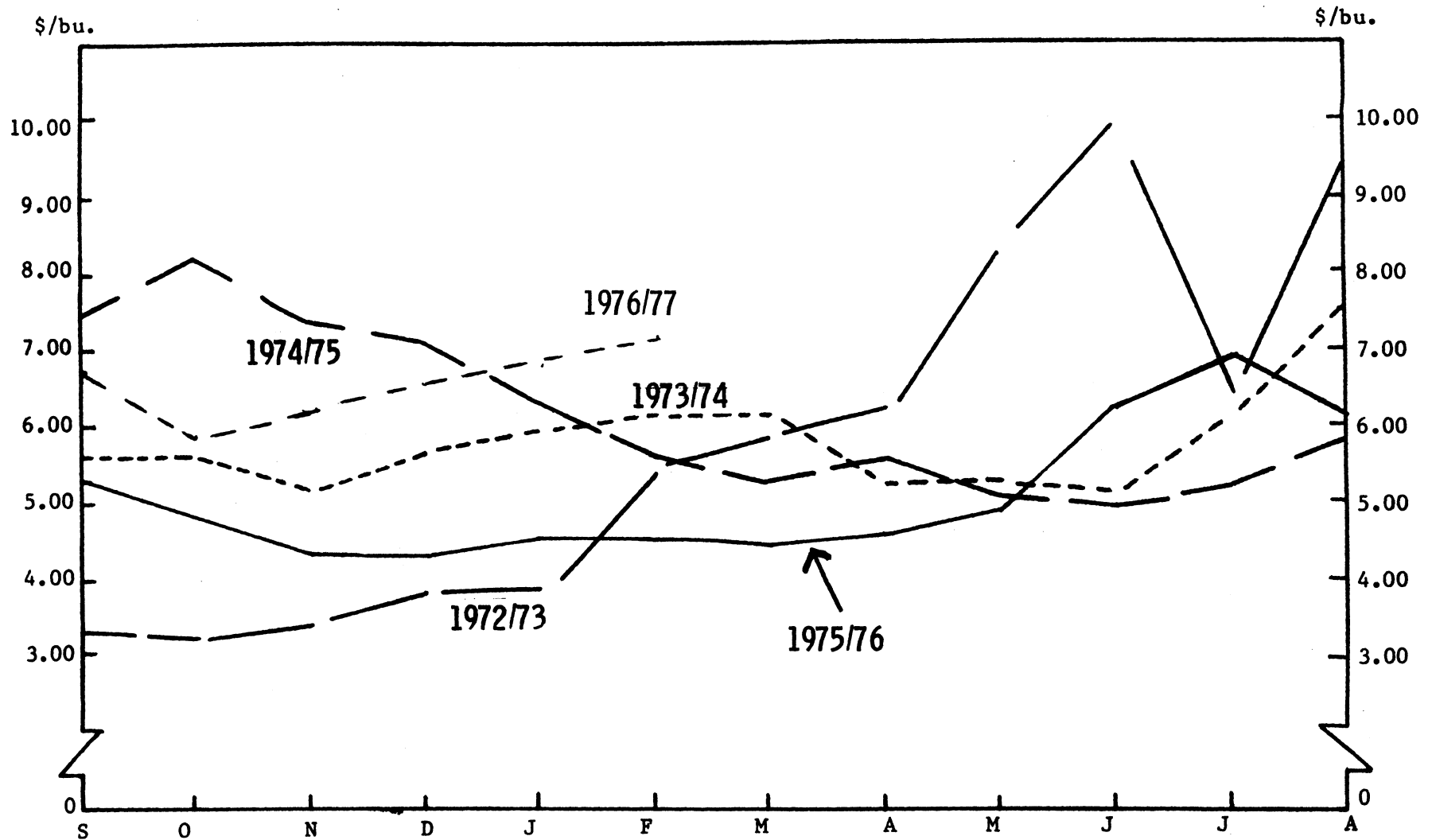
U.S. SOYBEAN PRODUCTION, USE AND PRICE

Crop Year Sept. 1	Harvested Ac. (Mil.)	Yld/Ac.	Production	Carry-In	Supply	Domestic Use	Export	Total Use	Carry-out	Av. Season Price, Ohio
(Million Bushels)										
1965	34.5	24.5	846	30	875	589	251	840	35	\$2.35
1967	39.8	24.5	976	90	1,066	633	267	900	166	2.47
1969	41.3	27.4	1,133	327	1,460	797	433	1,230	230	2.47
1970	42.2	26.7	1,127	230	1,356	825	433	1,258	99	2.92
1971	42.7	26.7	1,176	99	1,275	786	417	1,203	72	3.14
1972	45.7	27.8	1,271	72	1,343	803	480	1,283	60	5.75
1973	55.8	27.7	1,547	60	1,607	895	540	1,435	171	5.77
1974	52.5	23.5	1,233	171	1,404	797	420	1,218	185	6.17
1975	53.6	28.4	1,521	185	1,706	909	555	1,462	244	5.04
1976 ^{1/}	49.4	25.6	1,265	244	1,509	900	500	1,400	109	6.51 ^{2/}
1977	53.0	26.0	1,378	74	1,452	--	--	--	--	--
	55.0	28.0	1,540		1,614	--	--	--	--	--

^{1/} January crop summary.

^{2/} Average price for 5 months.

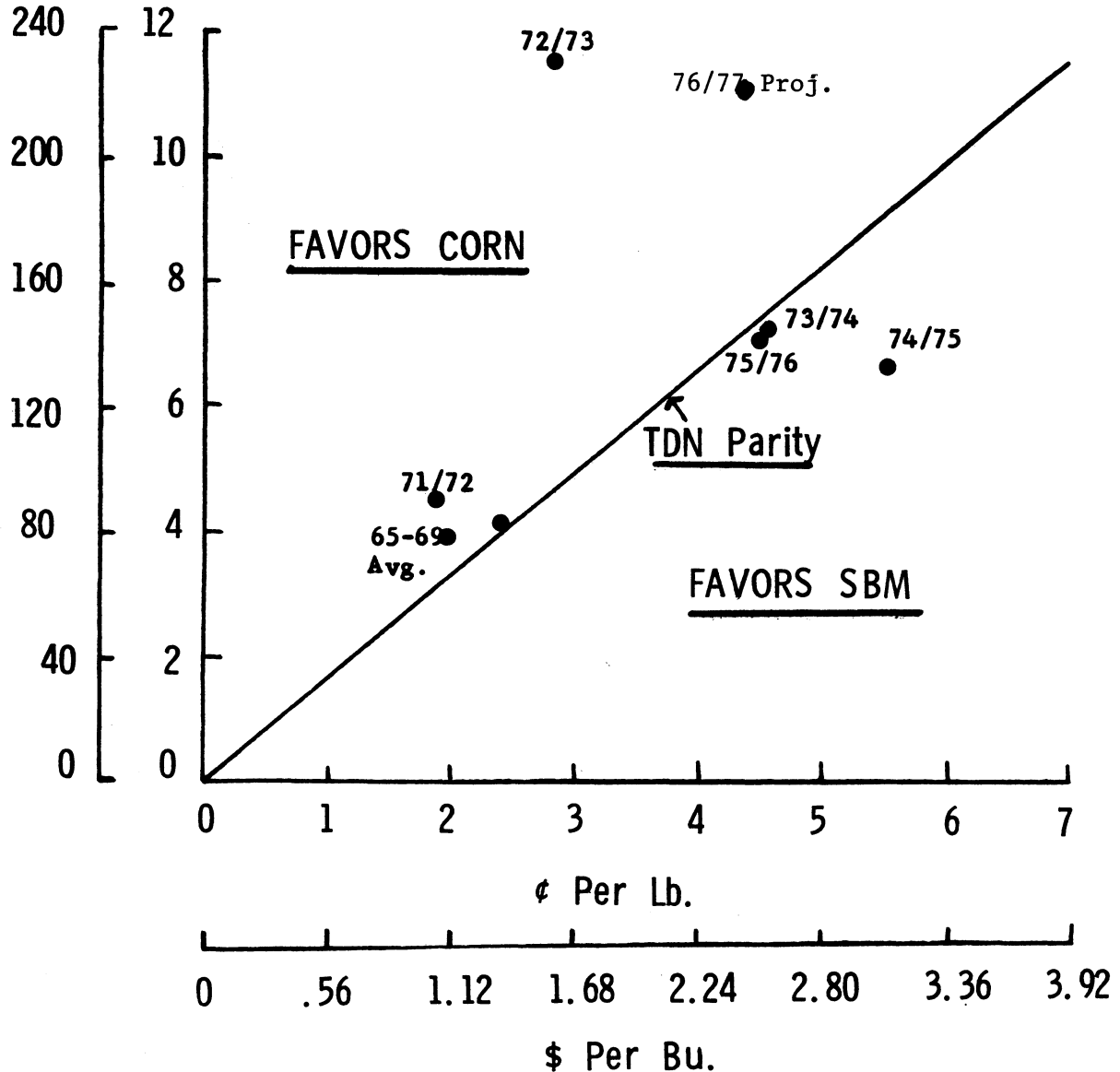
SOYBEANS: OHIO AVERAGE MONTHLY PRICE



CORN AND SBM PRICE COMPARISON WITH TDN PARITY *

SOYBEAN OIL MEAL

\$ Per Ton ¢ Per Lb.



CORN

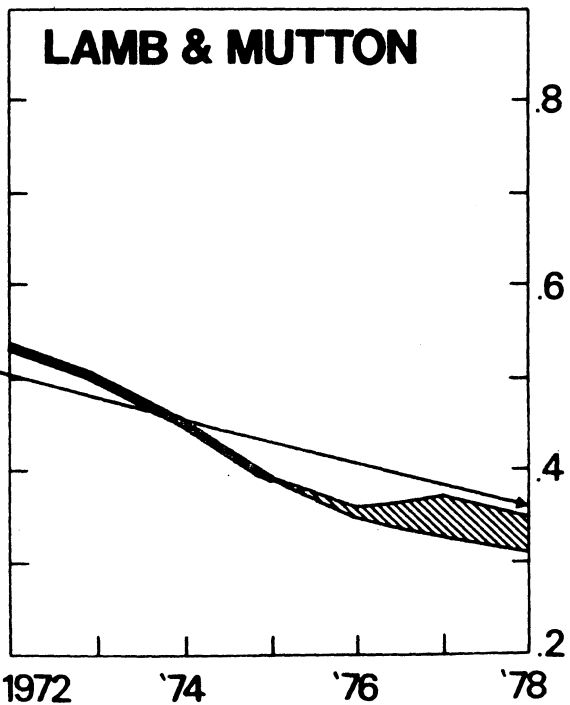
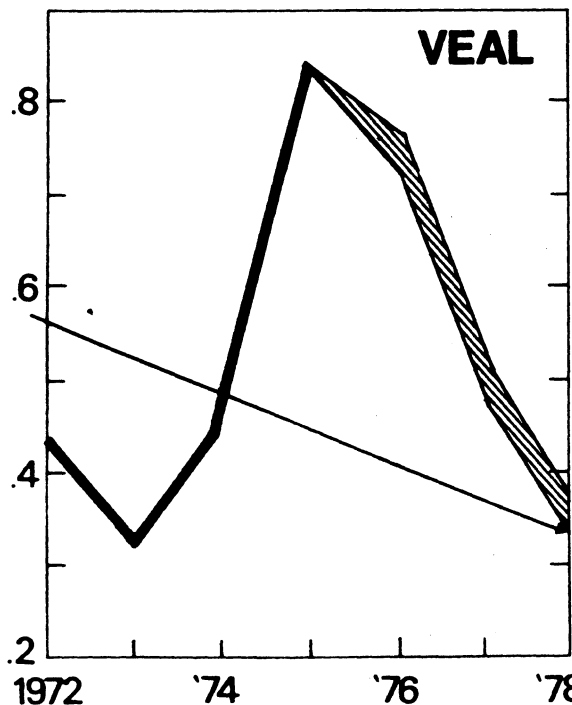
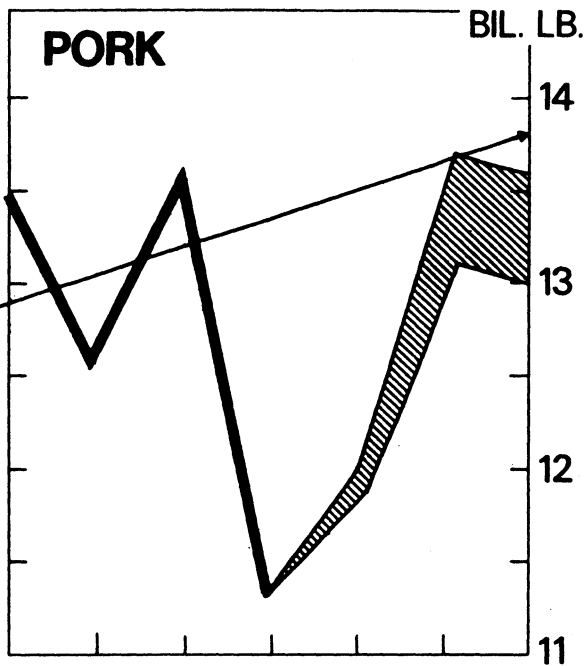
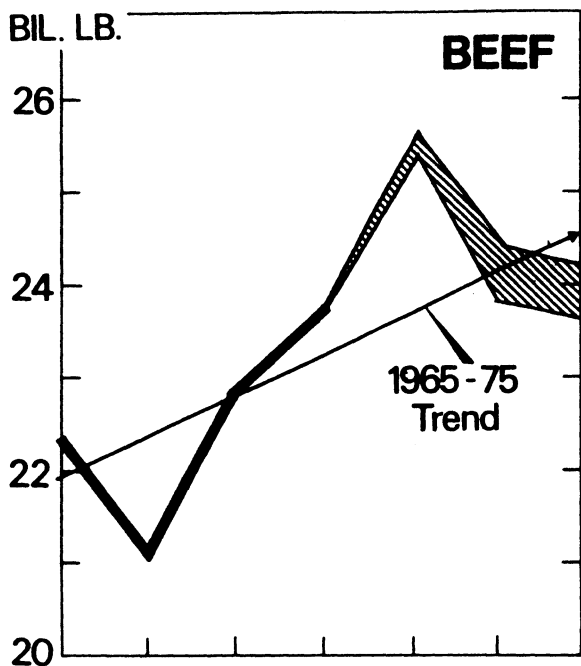
- TDN = Total digestible nutrients

SBM = Soybean meal at 44 percent crude protein

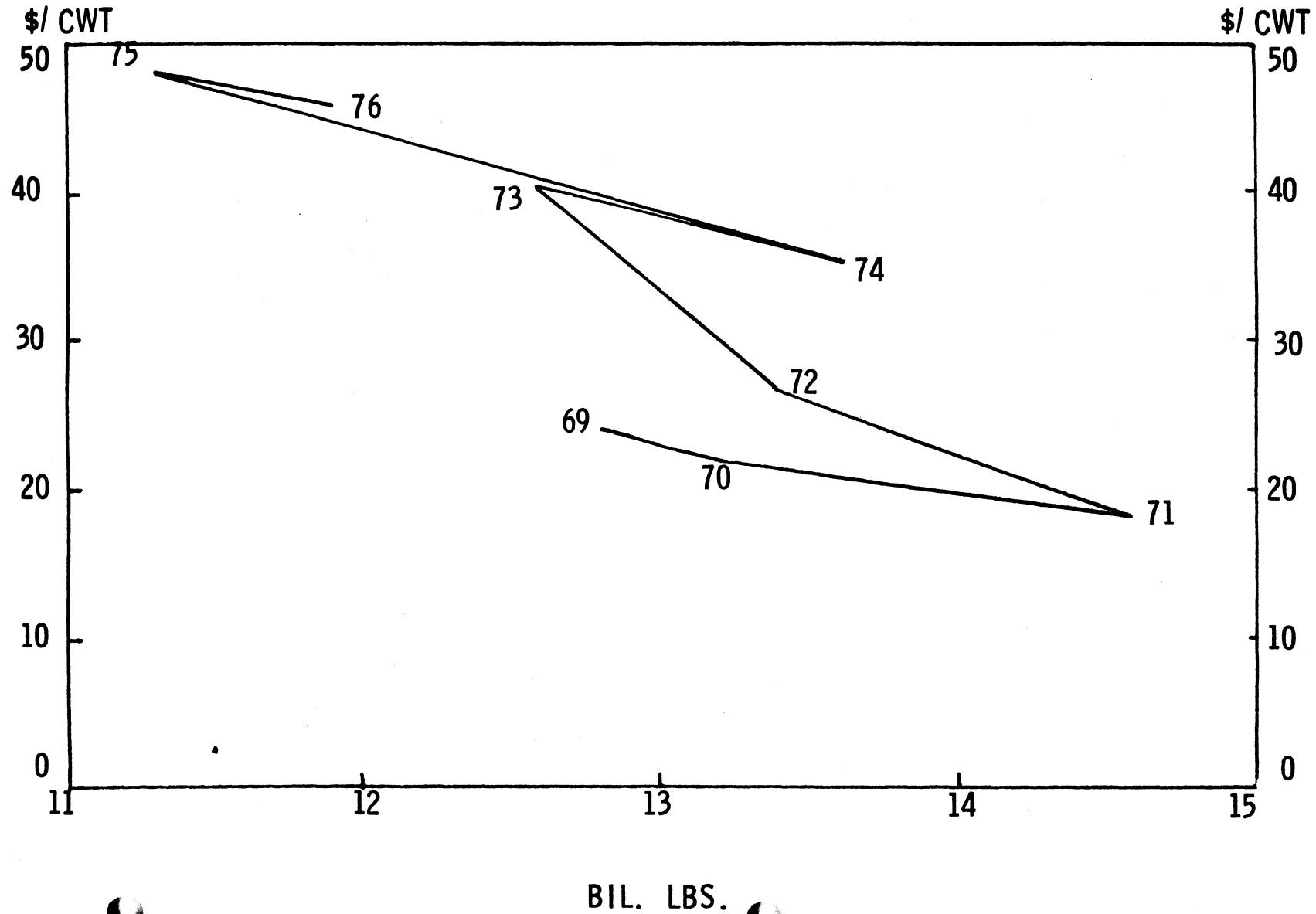
Prices are averages for the year beginning October 1

SBM at Decatur and corn U.S. received by farmers

COMMERCIAL MEAT PRODUCTION



PORK OUTPUT AND PRICES



MORE PIGS !

PIG CROPS
1976

APPROX. MARKETINGS

JUNE - AUG + 23%

DEC - APR. 1977

SEPT - NOV + 18%

APR - JUNE

1977

DEC - FEB + 10%

JUNE - SEP T

MAR - MAY* +4%

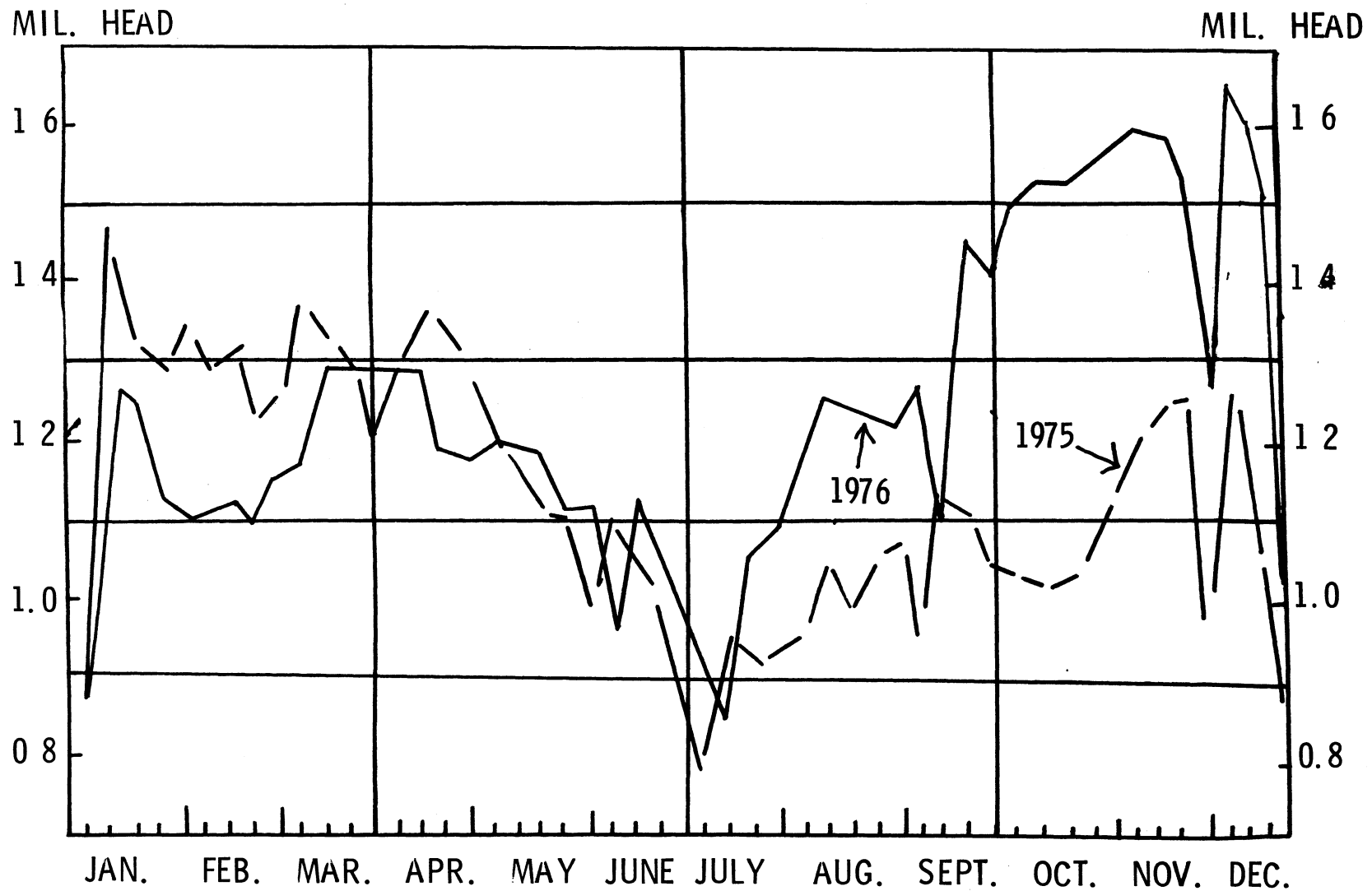
SEPT - DEC

JUNE - AUG* ? ?

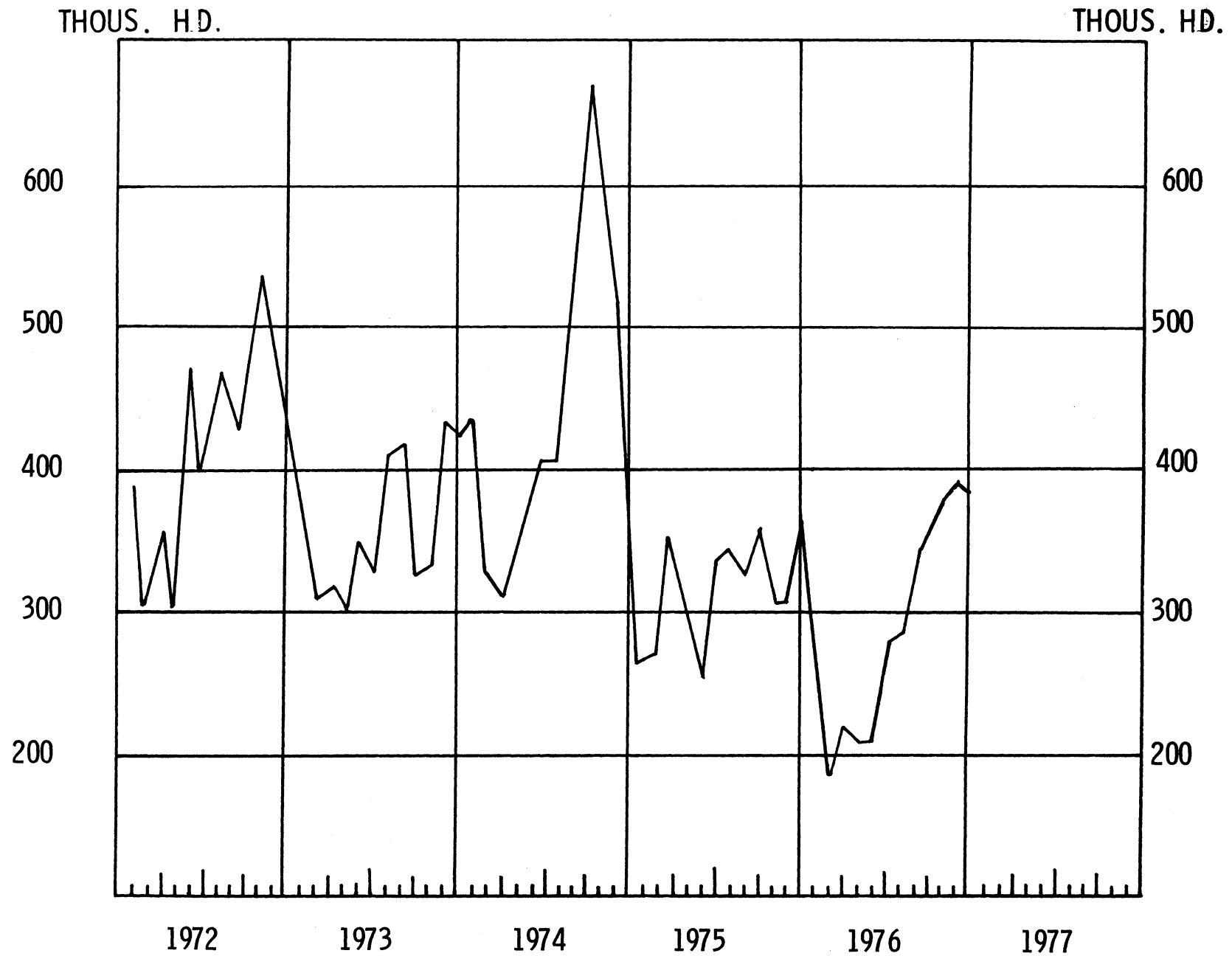
DEC - MAR 1978

* IN TENTIONS

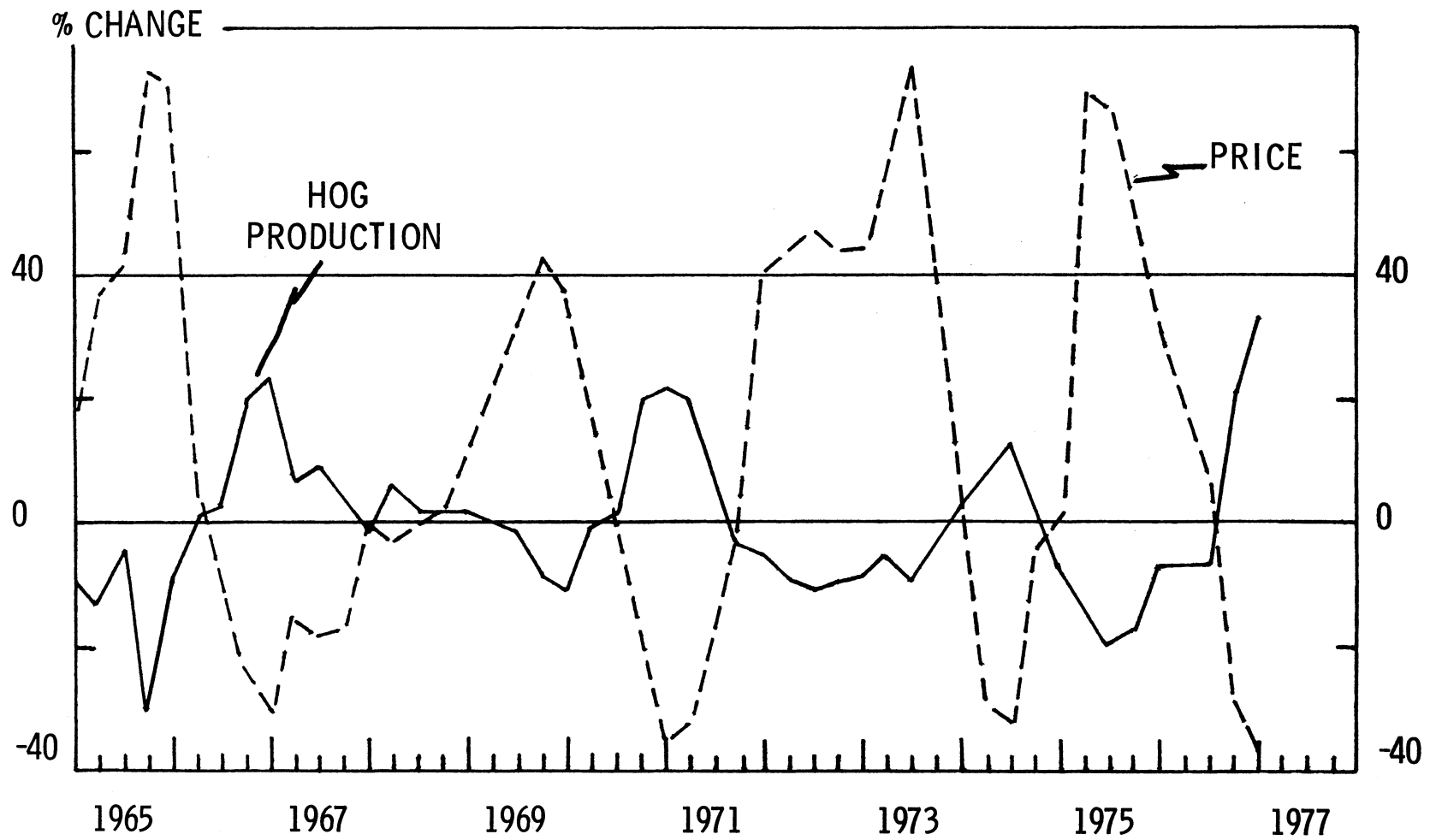
F.I. HOG SLAUGHTER



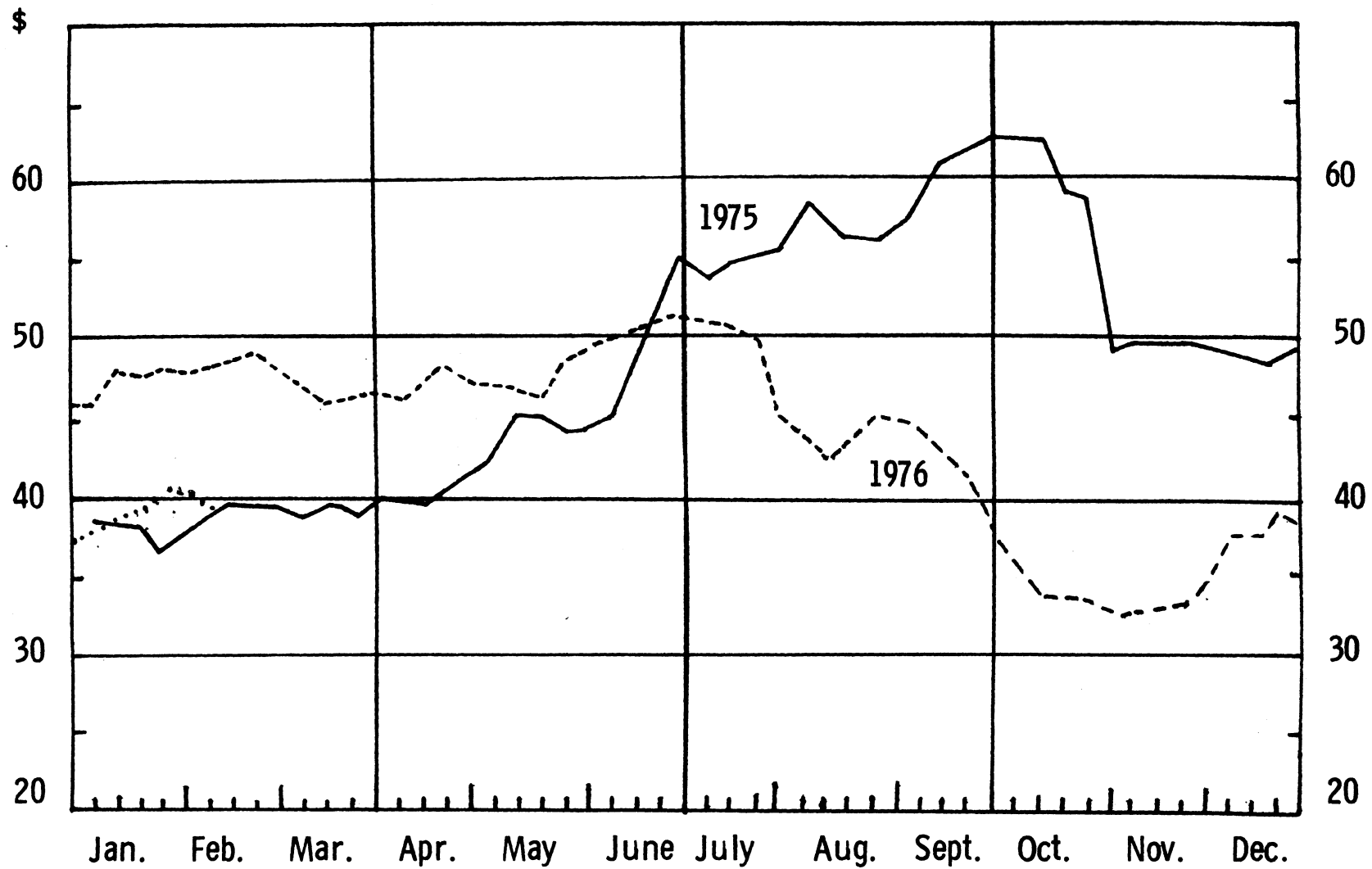
COMMERCIAL SOW SLAUGHTER



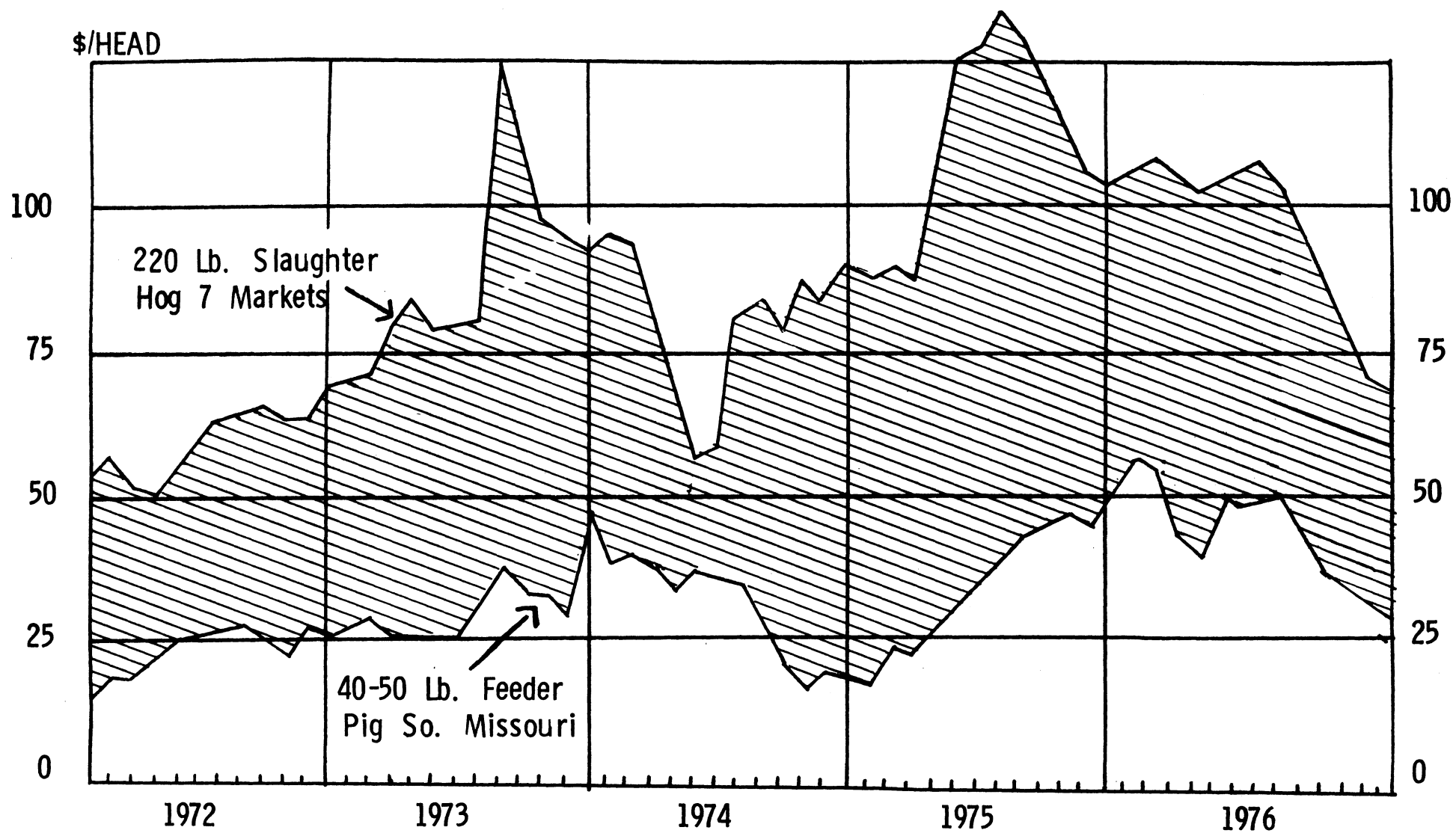
CHANGES IN HOG PRICES AND PORK PRODUCTION



AVERAGE PRICE BARROWS AND GILTS



GROSS HOG FEEDING MARGINS



FEEDER PIG WORKSHEET

How to Figure the Breakeven Price on a Feeder Pig
Marketed at 220 Pounds Weight

	Purchase Weight		
	40 lbs.	60 lbs.	80 lbs.
A. Cost of feeder pig per head	\$ _____	\$ _____	\$ _____
Feed	_____	_____	_____
Corn @ _____ per bu.	(9.0 bu.)\$ _____	(8.0 bu.)\$ _____	(7.0 bu.)\$ _____
Supplement @ _____ c per lb.	(100 lbs.) _____	(90 lbs.)\$ _____	(75 lbs.)\$ _____
B. Total feed cost	\$ _____	\$ _____	\$ _____
C. Other costs	<u>\$16.00</u>	<u>\$15.50</u>	<u>\$15.00</u>
(Tractor, truck, grinding, death loss; medical; electric; interest; taxes; repairs and depreciation on buildings and equipment; marketing, misc.)			
D. Charge for Labor*	1.0 hrs. _____	0.9 hrs. _____	0.8 hrs. _____
E. Total cost per head (A+B+C+D)	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>
F. Breakeven price per cwt.			
for 220 lbs. hog (E ÷ 220 lbs.)	\$ _____	\$ _____	\$ _____
G. Estimated selling price per cwt.	\$ _____	\$ _____	\$ _____
H. Profit or Loss per cwt. (G - F)	\$ _____	\$ _____	\$ _____

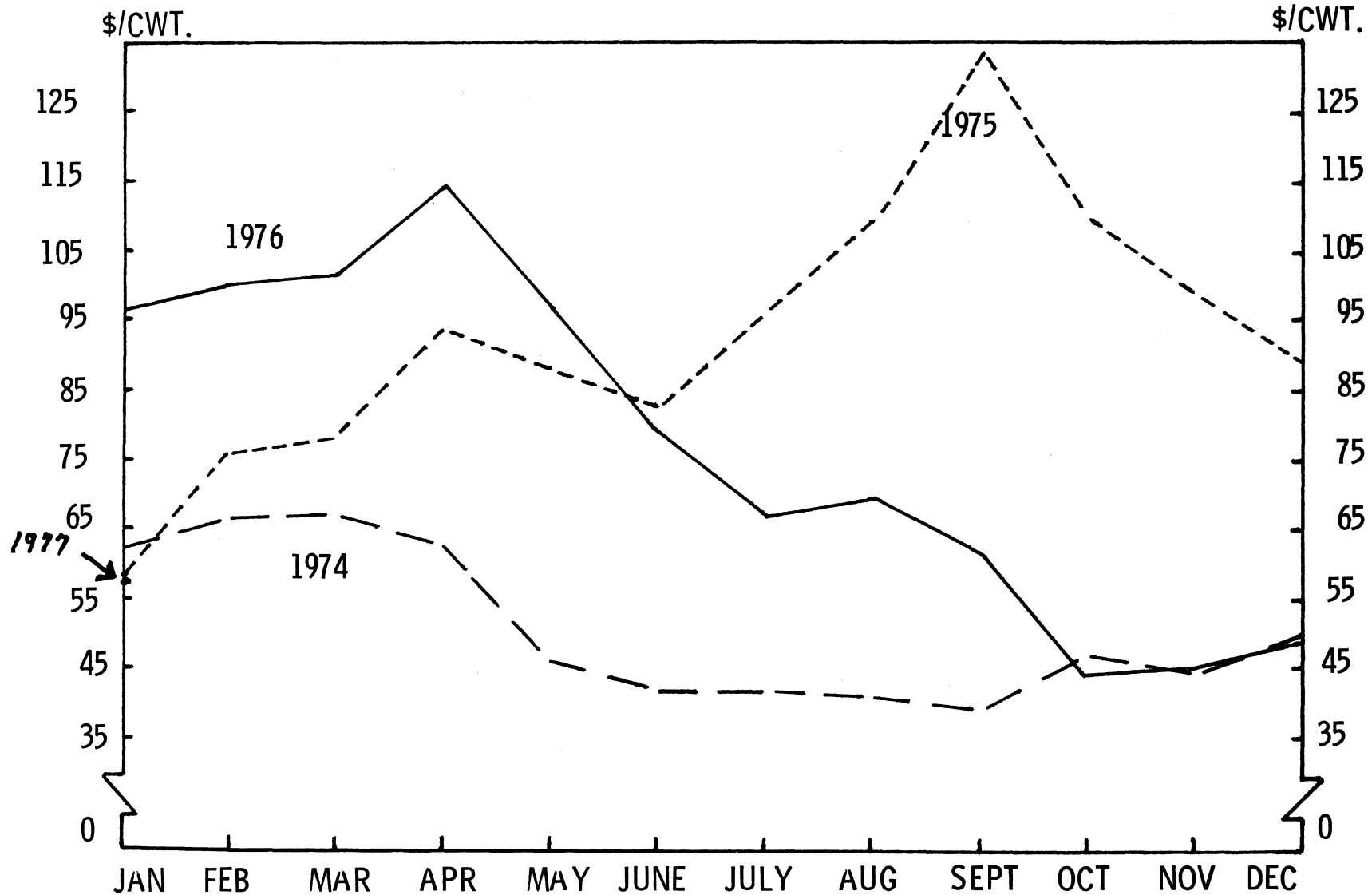
*Do not include a charge for management and risk.

NOTE: Your return for management and risk will be the difference between the selling price and the breakeven price, if you made a charge for labor.

Prepared by Wallace Barr and Herbert Hadley, Extension Economist, Ohio State University

OHIO GRADED FEEDER PIG PRICES

50 - 59 Lbs.



PORK CONSUMPTION AND PRICES

	PER CAPITA LBS.	RETAIL PRICE PER LB.	PRICE B & G PER CWT
1971	73	\$.70	\$ 18.45
1972	67.4	.83	26.67
1973	61.6	1.10	40.27
1974	66.6	1.08	35.12
1975	54.8	1.35	48.32
1976 [*]	58	1.38	43.38
1977 ^{**}	64	1.33	34.36

* Est.

** Forecast

ESTIMATED 1982 COSTS

	<u>EST. 1976 TOTAL COSTS</u>	<u>INFLATION RATE/YEAR</u>	
		<u>4%</u>	<u>6%</u>
CORN			
110 bu/ac	\$2.20 ^{1/}	\$2.78	\$3.17
SOYBEANS			
35 bu/ac	\$5.30 ^{1/}	\$6.70	\$7.51
<u>1/</u> LAND RENT @ \$75/ACRE			
HOGS, CWT.			
16:1 corn hog ratio		\$44.50	\$50.70
RANGE			
12:1		33.40	38.70
20:1		55.60	63.40